MAY - 6 2005

James C. Morriss III Thompson & Knight LLP 1900 San Jacinto Center 98 San Jacinto Boulevard Austin, Texas 78701-4081

RE: Gulfco Marine Maintenance Superfund Site in Freeport Texas

Dear Mr. Morriss:

I am responding to your April 27, 2005 letter outlining Dow Chemical Company, Sequa Corporation, and LDL Coastal's (hereinafter referred to as the "Potentially Responsible Party [PRP] Work Group") delay in providing the Environmental Protection Agency (EPA) with an Investigative Work Plan for the Gulfco Marine Maintenance Superfund Site (Gulfco Site) as promised on April 18, 2005.

The EPA had a very productive meeting with you on April 1, 2005 in order to fully investigate and clean up the Gulfco Site. As your Summary of the April 1, 2005 Meeting acknowledges, I stated at the April 1, 2005 meeting that the first step to approaching cleanup at the Gulfco Site is to develop an Investigative Work Plan. This is the biggest hurdle in developing a cleanup plan for the Gulfco Site. Once the Investigative Work Plan is drafted, an Agreed Order on Consent can be tailored to create the mutually acceptable mechanism for the implementation of the cleanup.

In order to give the PRP Group the greatest amount of flexibility, EPA has requested that the PRP Group develop an investigation plan for the Gulfco Site. EPA first approached the PRP Group in July 2004 to submit an investigative work plan as part of an Administrative Order on Consent for a cleanup under the Comprehensive Environment Response, Compensation, and Liability Act. After the PRP Group requested in February 2005 to do a cleanup using appropriate state authority, EPA again asked for the PRP Group to submit an Investigative Work Plan.

When EPA met with the PRP Group on April 1, 2005, I was pleased at the level of detail of the Conceptual Site Model and the Investigative Work Plan Outline. As acknowledged in your Summary of the April 1, 2005 meeting, I made several comments on additional information that needed to be provided in the Investigative Work Plan. I then asked my Remedial Project Manager, Gary Miller, to get together with you to arrange for the submittal of the Investigative Work Plan.



After Mr. Miller conferred with the PRP Group's technical consultant, they agreed to April 18, 2005 as the date for the submittal of the Investigative Work Plan. No further contact between EPA and the PRP Group occurred until April 13, 2005, when the PRP Group's counsel in a follow-up call informed EPA that they were not aware of their technical consultant's commitment to submit an Investigative Work Plan on April 18, 2005. In order to clarify when the Investigative Work Plan would be submitted, Mr. Miller called the PRP Group's technical consultant and was informed that only the removal portion of the investigative work plan would be submitted on April 18 but that the Investigative Work Plan would not be submitted until early May. Mr. Miller reiterated my comments on the Conceptual Site Model and Investigative Work Plan Outline and asked that the Investigative Work Plan be submitted as quickly as possible.

EPA is eager to quickly clean up the Gulfco Site and return it to productive reuse in the community. I feel compelled to state my observation that these exchanges of letters and extended meetings do not appear to have advanced the process of actually getting to a clean-up proposal. I encourage you to demonstrate your stated commitment to the site cleanup with substantive actions. Should you have any questions, do not hesitate to contact me.

Sincerely yours,

Samuel Coleman, P.E. Director Superfund Division

Bill Mahley cc:

Sequa Corporation

Allen Daniels LDL Coastal LP

MILLER

BUZZELL

COLEMAN

HEPOLA

BOLDEN 6SF-A 6SF-AK